

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0195-01
Bill No.: HB 308
Subject: Employees - Employers; Labor and Industrial Relations Dept.; Labor and Management
Type: Original
Date: February 18, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator** assume the proposal would have no fiscal impact on their office.

Officials from the **Department of Labor and Industrial Relations (DOL)** assume their department would be responsible for auditing employers' records to see if any of the state funds received were going toward deterring/promoting union organization. DOL states there are approximately 130,000 employers in Missouri, however, they are unable to determine how many of them receive state funds. DOL states without this information, it is not possible to estimate the number of records to audit.

DOL anticipates the current legal staff can absorb the additional workload and cost of bringing civil actions under subsection four of the proposal. DOL notes additional department staff will be needed to handle the auditing workload. DOL estimates that at least three auditors and one clerical position will be needed to audit a potential 130,000 records. DOL assumes the cost to General Revenue the additional four (4) FTE, including salaries, fringe benefits and expense and equipment to be \$182,044 in FY 2004; \$156,958 in FY 2005; and \$160,888 in FY 2006.

Oversight notes, in an identical proposal from last session, DOL assumed the proposal would

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ASSUMPTION (continued)

have no fiscal impact on their department. **Oversight** notes the proposal does not require the DOL to audit employer records. **Oversight** notes the proposal requires private employers to provide records upon request to the DOL. **Oversight** assumes any decision on behalf of DOL to request and review employer records could be absorbed with existing resources. **Oversight** assumes DOL would request additional funding through the appropriation process if/when the amount of time spent requesting and reviewing employer records requires additional FTE.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small business could experience additional paperwork and more detailed record keeping resulting from passage of this proposal.

DESCRIPTION

This proposal prohibits private employers that receive state funds (in excess of \$10,000 per year) from using those funds to assist, promote or deter union organizing and to provide sufficient records to the state to certify compliance. A private employer, subject to this provision, shall provide to the Director of the Department of Labor and Industrial Relations, upon request, any

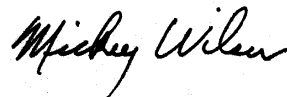
records required to be maintained pursuant to this section. An employer subject to this section is
DESCRIPTION (continued)

liable to the state for any funds expended in violation of this section and is subject to a civil penalty equal to twice the amount of the funds expended in violation of this section. The Director of the Department of Labor and Industrial Relations may bring a civil action for injunctive relief, damages, civil penalties and other appropriate relief for violation of this section. The proposal does not prohibit any activity in connection with the administration of a collective bargaining agreement; allowing a labor organization access to facilities or property; meeting requirements of state law, federal law, or a collective bargaining agreement; or negotiating, entering, or carrying out a voluntary recognition agreement with a labor organization.

This proposal is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Labor and Industrial Relations
Office of the State Courts Administrator



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DIRECTOR

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